

AMENDED IN ASSEMBLY FEBRUARY 18, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 148**

**Introduced by Assembly Member Thomson**

January 15, 1999

---

An act to amend Sections 17080, 17224, 17587, and 17592 of, to add Sections 17584 and 17584.5 to, and to repeal Section 39619 of, the Education Code, relating to school facilities, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 148, as amended, Thomson. School facilities.

*Existing law establishes the State School Deferred Maintenance Fund which is continuously appropriated for the purposes for which it is established. Existing law requires the State Allocation Board to apportion, from the State School Deferred Maintenance Fund, funds to school districts on a 50% matching basis up to 1/2 of 1% of the districts current-year total revenue limit average daily attendance pursuant to a prescribed formula, to the extent funds are available. Existing law prohibits an eligible district from being required to budget local funds for this purpose greater in an amount than 1/2 of 1% of the current year total pursuant to the formula.*

*This bill would change the name of the State School Deferred Maintenance Fund to the School Major Maintenance Match Fund, would increase the maximum funding to .75% of the district's total current-year revenue*

*limit average daily attendance, pursuant to the prescribed formula, would similarly increase the amount of local funds which a district is prohibited from being required to budget for this purpose, and would state the intent of the Legislature to fund annually the School Major Maintenance Match Fund to the full statutory cap. The bill would continuously appropriate from the General Fund to Section A of the State School Fund the amount necessary to fund annually the School Major Maintenance Match Fund to the full statutory cap and would require the Controller to transfer annually from Section A of the State School Fund the amount necessary to fund the School Major Maintenance Match Fund to the full statutory cap.*

~~Existing law establishes the State School Deferred Maintenance Fund which is continuously appropriated for the purposes for which it is established. Existing law requires the State Allocation Board to apportion, from the State School Deferred Maintenance Fund, a specified amount of funds to school districts on a 50% matching basis, to the extent funds are available pursuant to specified law.~~

~~This bill would change the name of the State School Deferred Maintenance Fund to the School Major Maintenance Match Fund, would change the matching fund requirement to 75% state funds and 25% local funds and would state the intent of the Legislature to fund annually the School Major Maintenance Match Fund to the full statutory cap. The bill would continuously appropriate from the General Fund to Section A of the State School Fund the amount necessary to fund annually the School Major Maintenance Match Fund to the full statutory cap and would require the Controller to transfer annually from Section A of the State School Fund the amount necessary to fund the School Major Maintenance Match Fund to the full statutory cap.~~

To the extent that funds appropriated by this bill are allocated to a school district or a community college district, those funds would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.



Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

~~SECTION 1.—It is the intent of the Legislature to fund~~

*SECTION 1. It is the intent of the Legislature to fund annually the School Major Maintenance Match Fund to the full statutory cap specified in subdivision (b) of Section 17584.*

*SEC. 2. Section 17080 of the Education Code is amended to read:*

17080. (a) Notwithstanding any other provision of law, whenever moneys transferred to the General Fund each year from (1) moneys deposited in the Public School Building Loan Fund pursuant to Section 15735, and (2) moneys deposited in the State School Building Aid Fund pursuant to Section 16080, are in excess of the amounts required to reimburse the General Fund on account of principal and interest due and payable for that fiscal year on all school building aid bonds outstanding against the state, an amount equal to ~~such~~ *the* excess is appropriated from the General Fund for purposes of the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (Chapter 12 (commencing with Section 17000)), *the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10))*, and Section 17584. The Controller shall transfer, as directed by the State Allocation Board, ~~such~~ *the* appropriated amount to the State School Building Lease-Purchase Fund and to the ~~State School Deferred Maintenance School Major Maintenance Match~~ Fund, which is hereby established.

(b) In addition to the amount transferred pursuant to subdivision (a), the Controller shall transfer annually from the General Fund to the ~~State School Deferred Maintenance School Major Maintenance Match~~ Fund an amount equal to any amount transferred to or deposited in the General Fund as a result of repayment of any loan made by the board pursuant to Section ~~17005.15~~ *17005.5*.

(c) Notwithstanding Section 13340 of the Government Code, the ~~State School Deferred Maintenance School Major Maintenance Match Fund~~ is continuously appropriated for the purposes for which it is established.

*SEC. 3. Section 17224 of the Education Code is amended to read:*

17224. Any funds in the State School Site Utilization Fund, including interest, that are not subject to return to a school district pursuant to Section 17223 shall revert to the ~~Deferred Maintenance School Major Maintenance Match Fund~~.

*SEC. 4. Section 17584 is added to the Education Code, to read:*

17584. (a) Whenever, in any given fiscal year, a school district has budgeted, exclusive of state matching funds and district funds previously matched pursuant to subdivision (b), in its deferred maintenance fund established pursuant to Section 17582 an amount equal to, or greater than, that amount the district expended from its general fund for major maintenance, repair, or modernization of existing school buildings, as specified in Section 17582, exclusive of categorical aid funds and any proceeds from the sale of district property which were expended for the purpose of the district deferred maintenance account, in either the 1978–79 or 1979–80 fiscal year, adjusted annually to the current fiscal year in conformance with the percentage change in the district revenue limit computed pursuant to Section 42237 or 42238, the Superintendent of Public Instruction shall so certify to the State Allocation Board.

(b) The State Allocation Board shall apportion, from the School Major Maintenance Match Fund, to school districts an amount equal to one dollar (\$1) for each one dollar (\$1) of local funds up to a maximum of 0.75 percent of the district's current-year revenue limit average daily attendance multiplied by the average, per unit of average daily attendance, of the total expenditures of the total general funds and adult education funds for districts of similar size and type, as defined in subdivision (b) of Section 42238.4, for the second prior fiscal year, exclusive

1 of any amounts expended for capital outlay or debt  
2 service.

3 (c) Notwithstanding subdivision (a), in order to be  
4 eligible to receive state aid pursuant to subdivision (b),  
5 no district shall be required to budget from local district  
6 funds an amount greater than 0.75 percent of the district's  
7 current-year revenue limit average daily attendance,  
8 multiplied by the average, per unit of average daily  
9 attendance, of the total expenditures and ending fund  
10 balances of the total general funds and adult education  
11 funds for districts of similar size and type, as defined in  
12 subdivision (b) of Section 42238.4 for the second prior  
13 fiscal year, exclusive of any amounts expended for capital  
14 outlay or debt service.

15 SEC. 5. Section 17584.5 is added to the Education  
16 Code, to read:

17 17584.5. Notwithstanding Section 13340 of the  
18 Government Code, there is hereby continuously  
19 appropriated from the General Fund to Section A of the  
20 State School Fund the amount necessary to fund annually  
21 the School Major Maintenance Match Fund to the full  
22 statutory cap specified in subdivision (b) of Section 17584.  
23 The Controller shall annually transfer from Section A of  
24 the State School Fund the amount necessary to fund for  
25 each fiscal year the School Major Maintenance Match  
26 Fund to the full statutory cap specified in subdivision (b)  
27 of Section 17584.

28 SEC. 6. Section 17587 of the Education Code is  
29 amended to read:

30 17587. (a) Notwithstanding the limitations of Section  
31 17584, the State Allocation Board may each year reserve  
32 an amount not to exceed 10 percent of the funds  
33 transferred from any source to the ~~State School Deferred~~  
34 ~~Maintenance~~ School Major Maintenance Match Fund for  
35 apportionments to school districts, in instances of  
36 extreme hardship. The apportionment shall be in  
37 addition to the apportionments made pursuant to Section  
38 17584. Not less than one-half of all funds made available  
39 by this section shall be apportioned to school districts that  
40 had an average daily attendance, excluding summer

1 session attendance, of less than 2,501 during the prior  
2 fiscal year.

3 An extreme hardship shall exist in a school district when  
4 the State Allocation Board determines the existence of all  
5 of the following:

6 (1) That the district has deposited in its deferred  
7 maintenance fund an amount equal to at least ~~0.5~~ 0.75  
8 percent of the total general funds and adult education  
9 funds budgeted by the district for the fiscal year,  
10 exclusive of any amounts budgeted for capital outlay or  
11 debt service.

12 (2) That the district has a critical project on its  
13 five-year plan which if not completed in one year could  
14 result in serious damage to the remainder of the facility  
15 or would result in a serious hazard to the health and safety  
16 of the pupils attending the facility.

17 (3) That the total funds deposited by the district and  
18 the state pursuant to Section 17584 are insufficient to  
19 complete the project.

20 (b) As a result of the determination made in  
21 subdivision (a), the State Allocation Board may increase  
22 the apportionment to a school district by the amount it  
23 determines necessary to complete the critical project.

24 (c) Notwithstanding subdivision (a), in any fiscal year  
25 in which the State Allocation Board has apportioned all  
26 funding from the ~~State School Deferred Maintenance~~  
27 *School Major Maintenance Match* Fund for which school  
28 districts have qualified under Section 17584, the board  
29 may apportion any amount remaining in that fund for the  
30 purposes of this section.

31 *SEC. 7. Section 17592 of the Education Code is*  
32 *amended to read:*

33 17592. From any moneys in the ~~State School Deferred~~  
34 ~~Maintenance~~ *School Major Maintenance Match* Fund,  
35 the board shall make available to the Director of General  
36 Services ~~such~~ amounts as it determines necessary to  
37 provide the assistance, pursuant to this chapter, required  
38 by Section 15504 of the Government Code.

39 *SEC. 8. Section 39619 of the Education Code is*  
40 *repealed.*

1     ~~39619. (a) Whenever, in any given fiscal year, a~~  
2 ~~school district has budgeted, exclusive of state matching~~  
3 ~~funds and district funds previously matched pursuant to~~  
4 ~~subdivision (b), in its deferred maintenance fund~~  
5 ~~established pursuant to Section 39618 an amount equal to,~~  
6 ~~or greater than, that amount the district expended from~~  
7 ~~its general fund for major maintenance, repair, or~~  
8 ~~modernization of existing school buildings, as specified in~~  
9 ~~Section 39618, exclusive of categorical aid funds and any~~  
10 ~~proceeds from the sale of district property which were~~  
11 ~~expended for the purpose of the district deferred~~  
12 ~~maintenance account, in either the 1978-79 or 1979-80~~  
13 ~~fiscal year, adjusted annually to the current fiscal year in~~  
14 ~~conformance with the percentage change in the district~~  
15 ~~revenue limit computed pursuant to Section 42237 or~~  
16 ~~42238, the Superintendent of Public Instruction shall so~~  
17 ~~certify to the State Allocation Board.~~

18     ~~(b) The State Allocation Board shall apportion, from~~  
19 ~~the State School Deferred Maintenance Fund, to school~~  
20 ~~districts an amount equal to one dollar (\$1) for each one~~  
21 ~~dollar (\$1) of local funds up to a maximum of 1/2 percent~~  
22 ~~of the district's current-year revenue limit average daily~~  
23 ~~attendance multiplied by the average, per unit of average~~  
24 ~~daily attendance, of the total expenditures of the total~~  
25 ~~general funds and adult education funds for districts of~~  
26 ~~similar size and type, as defined in subdivision (b) of~~  
27 ~~Section 42238.4, for the second prior fiscal year, exclusive~~  
28 ~~of any amounts expended for capital outlay or debt~~  
29 ~~service, to the extent of funds available pursuant to~~  
30 ~~Chapter 24 (commencing with Section 17780) of Part 10.~~

31     ~~(c) Notwithstanding subdivision (a), in order to be~~  
32 ~~eligible to receive state aid pursuant to subdivision (b),~~  
33 ~~no district shall be required to budget from local district~~  
34 ~~funds an amount greater than 1/2 percent of the district's~~  
35 ~~current-year revenue limit average daily attendance,~~  
36 ~~multiplied by the average, per unit of average daily~~  
37 ~~attendance, of the total expenditures and ending fund~~  
38 ~~balances of the total general funds and adult education~~  
39 ~~funds for districts of similar size and type, as defined in~~  
40 ~~subdivision (b) of Section 42238.4 for the second prior~~



~~fiscal year, exclusive of any amounts expended for capital outlay or debt service.~~

~~annually the School Major Maintenance Match Fund to the full statutory cap specified in subdivision (b) of Section 17584.~~

~~SEC. 2. Section 17080 of the Education Code is amended to read:~~

~~17080. (a) Notwithstanding any other provision of law, whenever moneys transferred to the General Fund each year from (1) moneys deposited in the Public School Building Loan Fund pursuant to Section 15735, and (2) moneys deposited in the State School Building Aid Fund pursuant to Section 16080, are in excess of the amounts required to reimburse the General Fund on account of principal and interest due and payable for that fiscal year on all school building aid bonds outstanding against the state, an amount equal to the excess is appropriated from the General Fund for purposes of the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (Chapter 12 (commencing with Section 17000)), the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10)), and Section 17584. The Controller shall transfer, as directed by the State Allocation Board, the appropriated amount to the State School Building Lease-Purchase Fund and to the School Major Maintenance Match Fund, which is hereby established.~~

~~(b) In addition to the amount transferred pursuant to subdivision (a), the Controller shall transfer annually from the General Fund to the School Major Maintenance Match Fund an amount equal to any amount transferred to or deposited in the General Fund as a result of repayment of any loan made by the board pursuant to Section 17005.5.~~

~~(c) Notwithstanding Section 13340 of the Government Code, the School Major Maintenance Match Fund is continuously appropriated for the purposes for which it is established.~~

~~SEC. 3. Section 17224 of the Education Code is amended to read:~~



1 ~~17224. Any funds in the State School Site Utilization~~  
2 ~~Fund, including interest, that are not subject to return to~~  
3 ~~a school district pursuant to Section 17223 shall revert to~~  
4 ~~the School Major Maintenance Match Fund.~~

5 SEC. 4. ~~Section 17584 is added to the Education Code,~~  
6 ~~to read:~~

7 ~~17584. (a) Whenever, in any given fiscal year, a~~  
8 ~~school district has budgeted, exclusive of state matching~~  
9 ~~funds and district funds previously matched pursuant to~~  
10 ~~subdivision (b), in its deferred maintenance fund~~  
11 ~~established pursuant to Section 17582 an amount equal to,~~  
12 ~~or greater than, that amount the district expended from~~  
13 ~~its general fund for major maintenance, repair, or~~  
14 ~~modernization of existing school buildings, as specified in~~  
15 ~~Section 17582, exclusive of categorical aid funds and any~~  
16 ~~proceeds from the sale of district property which were~~  
17 ~~expended for the purpose of the district deferred~~  
18 ~~maintenance account, in either the 1978-79 or 1979-80~~  
19 ~~fiscal year, adjusted annually to the current fiscal year in~~  
20 ~~conformance with the percentage change in the district~~  
21 ~~revenue limit computed pursuant to Section 42237 or~~  
22 ~~42238, the Superintendent of Public Instruction shall so~~  
23 ~~certify to the State Allocation Board.~~

24 ~~(b) The State Allocation Board shall apportion, from~~  
25 ~~the School Major Maintenance Match Fund, to school~~  
26 ~~districts an amount equal to three dollars (\$3) for each~~  
27 ~~one dollar (\$1) of local funds up to a maximum of 0.75~~  
28 ~~percent of the district's current-year revenue limit~~  
29 ~~average daily attendance multiplied by the average, per~~  
30 ~~unit of average daily attendance, of the total expenditures~~  
31 ~~of the total general funds and adult education funds for~~  
32 ~~districts of similar size and type, as defined in subdivision~~  
33 ~~(b) of Section 42238.4, for the second prior fiscal year,~~  
34 ~~exclusive of any amounts expended for capital outlay or~~  
35 ~~debt service.~~

36 ~~(c) Notwithstanding subdivision (a), in order to be~~  
37 ~~eligible to receive state aid pursuant to subdivision (b),~~  
38 ~~no district shall be required to budget from local district~~  
39 ~~funds an amount greater than 0.25 percent of the district's~~  
40 ~~current year revenue limit average daily attendance,~~

~~multiplied by the average, per unit of average daily attendance, of the total expenditures and ending fund balances of the total general funds and adult education funds for districts of similar size and type, as defined in subdivision (b) of Section 42238.4 for the second prior fiscal year, exclusive of any amounts expended for capital outlay or debt service.~~

~~SEC. 5. Section 17584.5 is added to the Education Code, to read:~~

~~17584.5. Notwithstanding Section 13340 of the Government Code, there is hereby continuously appropriated from the General Fund to Section A of the State School Fund the amount necessary to fund annually the School Major Maintenance Match Fund to the full statutory cap specified in subdivision (b) of Section 17584. The Controller shall annually transfer from Section A of the State School Fund the amount necessary to fund for each fiscal year the School Major Maintenance Match Fund to the full statutory cap specified in subdivision (b) of Section 17584.~~

~~SEC. 6. Section 17587 of the Education Code is amended to read:~~

~~17587. (a) Notwithstanding the limitations of Section 17584, the State Allocation Board may each year reserve an amount not to exceed 10 percent of the funds transferred from any source to the School Major Maintenance Match Fund for apportionments to school districts, in instances of extreme hardship. The apportionment shall be in addition to the apportionments made pursuant to Section 17584. Not less than one-half of all funds made available by this section shall be apportioned to school districts that had an average daily attendance, excluding summer session attendance, of less than 2,501 during the prior fiscal year.~~

~~An extreme hardship shall exist in a school district when the State Allocation Board determines the existence of all of the following:~~

~~(1) That the district has deposited in its deferred maintenance fund an amount equal to at least 0.24 percent of the total general funds and adult education~~

1 ~~funds budgeted by the district for the fiscal year,~~  
2 ~~exclusive of any amounts budgeted for capital outlay or~~  
3 ~~debt service.~~

4 ~~(2) That the district has a critical project on its~~  
5 ~~five-year plan which if not completed in one year could~~  
6 ~~result in serious damage to the remainder of the facility~~  
7 ~~or would result in a serious hazard to the health and safety~~  
8 ~~of the pupils attending the facility.~~

9 ~~(3) That the total funds deposited by the district and~~  
10 ~~the state pursuant to Section 17584 are insufficient to~~  
11 ~~complete the project.~~

12 ~~(b) As a result of the determination made in~~  
13 ~~subdivision (a), the State Allocation Board may increase~~  
14 ~~the apportionment to a school district by the amount it~~  
15 ~~determines necessary to complete the critical project.~~

16 ~~(c) Notwithstanding subdivision (a), in any fiscal year~~  
17 ~~in which the State Allocation Board has apportioned all~~  
18 ~~funding from the School Major Maintenance Match Fund~~  
19 ~~for which school districts have qualified under Section~~  
20 ~~17584, the board may apportion any amount remaining in~~  
21 ~~that fund for the purposes of this section.~~

22 ~~SEC. 7. Section 17592 of the Education Code is~~  
23 ~~amended to read:~~

24 ~~17592. From any moneys in the School Major~~  
25 ~~Maintenance Match Fund, the board shall make available~~  
26 ~~to the Director of General Services amounts as it~~  
27 ~~determines necessary to provide the assistance, pursuant~~  
28 ~~to this chapter, required by Section 15504 of the~~  
29 ~~Government Code.~~

30 ~~SEC. 8. Section 39619 of the Education Code is~~  
31 ~~repealed.~~